

State of Tennessee

Governor's Office of  
Diversity Business Enterprise

# ANNUAL REPORT

Fiscal Year 2010 - 2011

665 MAINSTREAM DRIVE  
METRO CENTER  
NASHVILLE, TENNESSEE 37243





## STATE OF TENNESSEE DEPARTMENT OF GENERAL SERVICES

STEVEN G. CATES  
COMMISSIONER

BILL HASLAM  
GOVERNOR

December 31, 2011

The Honorable Bill Haslam  
Governor of Tennessee  
First Floor State Capital  
Nashville, TN 37243

Dear Governor Haslam and Members of the Tennessee General Assembly:

It is with great pleasure that I present to you an update on the statewide diversity program as governed by Tennessee Code Annotated §12-3-801 through 808 et. sq. known as the "Tennessee Minority Owned, Woman Owned and Small Business Procurement and Contracting Act".

The purpose of the program is to expand economic opportunities to minority owned, women owned, service-disabled veteran owned and small businesses interested in doing business with the state of Tennessee. The act designates the Governor's Office of Diversity Business Enterprise as the central point of contact for assisting minority owned, woman owned, service-disabled veteran owned and small businesses desiring to compete in the state of Tennessee's contracting activity.

With your vision of making Tennessee the number one state in the southeast for job creation, we would be remiss to overlook how small businesses in this state can play a vital part of that vision. Tennessee remains committed to diversity participation in our business practices, policies and procedures.

During the past twelve months, the Governor's Office of Diversity Business Enterprise has committed to effectiveness and efficiency in their processes. This commitment has resulted in a forty-seven percent (47%) increase in the dollars awarded to certified diversity businesses. Further, as you will see in the following report, the number of certified firms also increased over seven percent (7%) from the previous fiscal year.

I would like to thank each of the state representatives and congressional members that invited the staff of the Governor's Office of Diversity Business Enterprise to participate in regional conferences from Kingsport to Memphis, TN throughout the fiscal year.

In accordance with T.C.A. §12-3-801 through 808, the Commissioner of the department of General Services is directed to make an annual report to the Governor and members of the Tennessee General Assembly. Presented herein is the annual report on purchases and contract awards for Fiscal Year 2010-11.

Sincerely,

A handwritten signature in black ink, reading "Jessica Robertson", is positioned above the printed name.

Jessica Robertson  
Chief Procurement Officer

JR:sjs

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# EXECUTIVE SUMMARY

## Mission Statement

To coordinate the state's efforts to facilitate greater participation by minority owned, woman owned and small businesses in the state's procurement and contracting opportunities. The Office works closely with the five major procurement entities within state government; the Departments of Economic and Community Development, Finance & Administration, General Services, Transportation and the State Building Commission to ensure an optimal level of participation by diversity businesses in state contracting activity.

## History

Previous programs to assist minority owned, woman owned and small businesses desiring to do business with state departments and agencies did little to increase participation in state procurement and contracting opportunities. The maze of varied and decentralized procurement processes continued to be complicated, confusing and discouraging to diversity businesses. A recent disparity study revealed that the State of Tennessee must do more to ensure that diversity businesses are

given a fair and equal opportunity to participate in the state of Tennessee's procurement of goods and services. A strong commitment to diversity businesses participation in the state's contracting processes remain at the forefront of initiatives to stimulate our economy and to reach into our community to increase participation by minority owned, woman owned, service-disabled veteran owned and small businesses.

## Creation of the Governor's Office of Diversity Business Enterprise

The Governor's Office of Diversity Business Enterprise (Go-DBE) was created by Executive Order Number 14, on December 8, 2003, in an effort to expand economic opportunities for small businesses and businesses owned by minorities and women. This office is charged with coordinating and directing the Executive Branch's efforts to increase participation by small businesses and businesses owned by minorities, women and service-disabled veteran owned businesses in the state's procurement and contracting processes. The Go-DBE office works

with all state departments and agencies, to assist businesses owned by minorities, women, service-disabled veteran owned and small businesses to successfully compete for the state of Tennessee's expenditure of goods, supplies, equipment, personal and professional services, including architecture and engineering, design and construction on capital projects. The Office is the central point of contact to assist Tennessee small businesses and businesses owned by minorities and women and service-disabled veteran owned businesses desiring to participate in the state of Tennessee's procurement and contracting processes for goods and services.



# EXECUTIVE SUMMARY

## Authority

The Governor's Office of Diversity Business Enterprise was codified in April 2004 upon passage of the "Tennessee Minority Owned, Woman Owned and Small Business Procurement and Contracting Act". Tennessee Code Annotated §12-3-801 through 808 requires the Governor's Office of Diversity Business Enterprise to:

- Compile and maintain a comprehensive list of minority owned, woman owned, service-disabled veteran owned and small businesses to provide potential sources for various goods and services to state agencies and departments.
- Assist minority owned, woman owned, service-disabled veteran owned and small businesses in complying with state procurement and contracting procedures and requirements.
- Examine requests from state agencies for the purchase of materials, supplies, equipment or services to

help determine which invitations to bid and requests for proposals may offer increased opportunities for minority owned, woman owned and small businesses; and service-disabled veteran owned businesses.

- Make recommendations to appropriate state agencies for the simplification of procurement and contract specifications and terms in order to increase the opportunities of participation by minority owned, woman owned, and service-disabled veteran owned and small businesses.

All departments, agencies, boards and commissions are required to fully cooperate with the Governor's Office of Diversity Business Enterprise to provide information regarding upcoming procurement opportunities, make periodic reports on diversity business participation and actively solicit bids and proposals from

small, minority and woman owned and service-disabled veteran owned businesses. In addition, each department is required to establish internal agency level internal goals for the participation of small, minority, woman owned and service-disabled veteran owned businesses.



# EXECUTIVE SUMMARY

## Recent Legislative Changes

**P**ublic Chapter 1135 amended T.C.A. at Title 12, Chapter 3, and Part 8 by adding Tennessee Small Business Classification. The amendment requires the Governor's Office of Diversity Business Enterprise to administer the provisions of this part.

The amendment further created a new definition of small business to be serviced and embraced as a part of the program guidelines. The new definition of small business was enacted by the amendment.

Effective April 2012 the definition for Small Business Enterprises will expand to reach hopefully thousands more Tennesseans to meet with eligibility guidelines to be included as a part of the program. The new definition is defined as Tennessee small business *"means a business that is a continuing for profit, independent business which performs a commercially useful*

*function with residence in Tennessee and has total gross receipts of no more than ten (\$10) million dollars averaged over a three-year period and employs no more than 30 employees on a full time-basis"*.

The Governor's Office of Diversity Business Enterprise shall assist Tennessee small businesses including businesses owned by minorities, women and service-disabled veterans to develop into viable, successful businesses.

The newly appointed Chief Procurement Officer, in consultation with the departments of General Services and Economic and Community Development, shall study opportunities available to "Tennessee Small Businesses" in state of Tennessee contracting policies, procedures and

practices and the potential effect of enhancing such opportunities through the utilization of monetary allowances.

Senate Bill 1710 amended Public Chapter 1098 deleting the section in its entirety on the effective date of the act and substituting instead Public Chapter 1135 to take effect April 1, 2012.



# EXECUTIVE SUMMARY

## Program Eligibility

### Minority Business Enterprise (MBE)

A minority owned business that is a continuing, independent, for profit business which performs a commercially useful function, and is at least fifty-one percent (51%) owned and controlled by one (1) or more minority individuals who are impeded from normal entry into the economic mainstream because of past practices of discrimination based on race or ethnic background. Recognized ethnic minorities are as follows:

#### African American

A person having origins in any of the Black racial groups of Africa.

#### Hispanic American

A person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

#### Native American

A person having origins in any of the original peoples of North America.

#### Asian American

A person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

### Woman Business Enterprise (WBE)

A woman owned business that is a continuing, independent, for profit business which performs a commercially useful function, and is at least fifty-one percent (51%) owned and controlled by one (1) or more women; or in the case of any publicly owned business, at least fifty-one percent (51%) of the stock of which is owned and controlled by one (1) or more women and whose management and daily business operations are under the control of one (1) or more women.

### Service-Disabled Veteran Business Enterprise (SDVBE)

Tennessee Service-Disabled Veterans include any person who served honorably on active duty in the Armed Forces of the United States with at least a twenty percent (20%) disability that is service-connected meaning that such disability was incurred or aggravated in the line of duty in the active military, naval or air service. "Tennessee service disabled veteran owned business"

means a service-disabled veteran owned business that is a continuing, independent, for profit business located in the state of Tennessee that performs a commercially useful function, and

1. Is at least fifty-one percent (51%) owned and controlled by one (1) or more service-disabled owned veterans;
2. In the case of a business solely owned by (1) service-disabled veteran and such person's spouse, is at least fifty percent (50) owned and controlled by the service-disabled veteran; or
3. In the case of any publicly owned business, at least fifty-one percent (51%) of the stock of which is owned and controlled by one (1) or more service-disabled veteran and whose management and daily business operations are under the control of one (1) or more service-disabled veteran.

# EXECUTIVE SUMMARY

**Program Eligibility** (continued)

**Current Small Business Enterprise (SBE)**  
**definition and guidelines:**

A business that is independently owned and operated, in accordance with the provisions of this part, and is not dominant in its field of operation.

INDUSTRY	CRITERIA
Agriculture, Forestry & Fishing	\$500K or 9 Employees
Architectural / Design / Engineering	\$2MM or 30 Employees
Construction	\$2MM or 30 Employees
Educational	\$1MM or 9 Employees
Finance, Insurance & Real Estate	\$1MM or 9 Employees
Information Systems / Technology	\$2MM or 30 Employees
Manufacturing	\$2MM or 99 Employees
Marketing / Communications / Public Relations	\$2MM or 30 Employees
Medical / Healthcare	\$2MM or 30 Employees
Mining	\$1MM or 49 Employees
Retail Trade	\$750K or 9 Employees
Service Industry	\$500K or 9 Employees
Transportation, Commerce & Utilities	\$1MM or 9 Employees
Wholesale Trade	\$1MM or 19 Employees





# EXECUTIVE SUMMARY

## Recent Initiatives

The primary charge of the Governor's Office of Diversity Business Enterprise is to assist state agencies and departments in their efforts to incorporate diversity participation in state contracting activity. The state's Enterprise Resource Project called "Edison" was implemented January 2009.

This electronic procurement portal allows state agencies and departments to procure needed products and services for their operation through electronic means. In order to keep pace with the marketplace, The Governor's Office of Diversity Business Enterprise implemented an electronic registration and certification system for the processing of applications received in consideration of certification status by the Go-DBE office.

The TN Go-DBE Diversity software system was implemented in November 2010. This system possesses the capability to assist with the day to day management of incoming applications for registration with the Go-DBE office. The system further enhances the verification and review process for managing data of current certified businesses.

The system is also utilized to capture contracts awarded and payments made by state agencies and departments to certified diversity businesses. The software also has a contract compliance component for the tracking of prime contractor reporting where subcontracting has been identified. Additionally, the system has features for

electronic notification to vendors/contractors and service providers for various types of diversity reporting.

This ongoing effort will assist state agencies and departments to better achieve their agency internal goals for participation of Tennessee's small, minority owned, women owned and service-disabled veteran owned businesses.

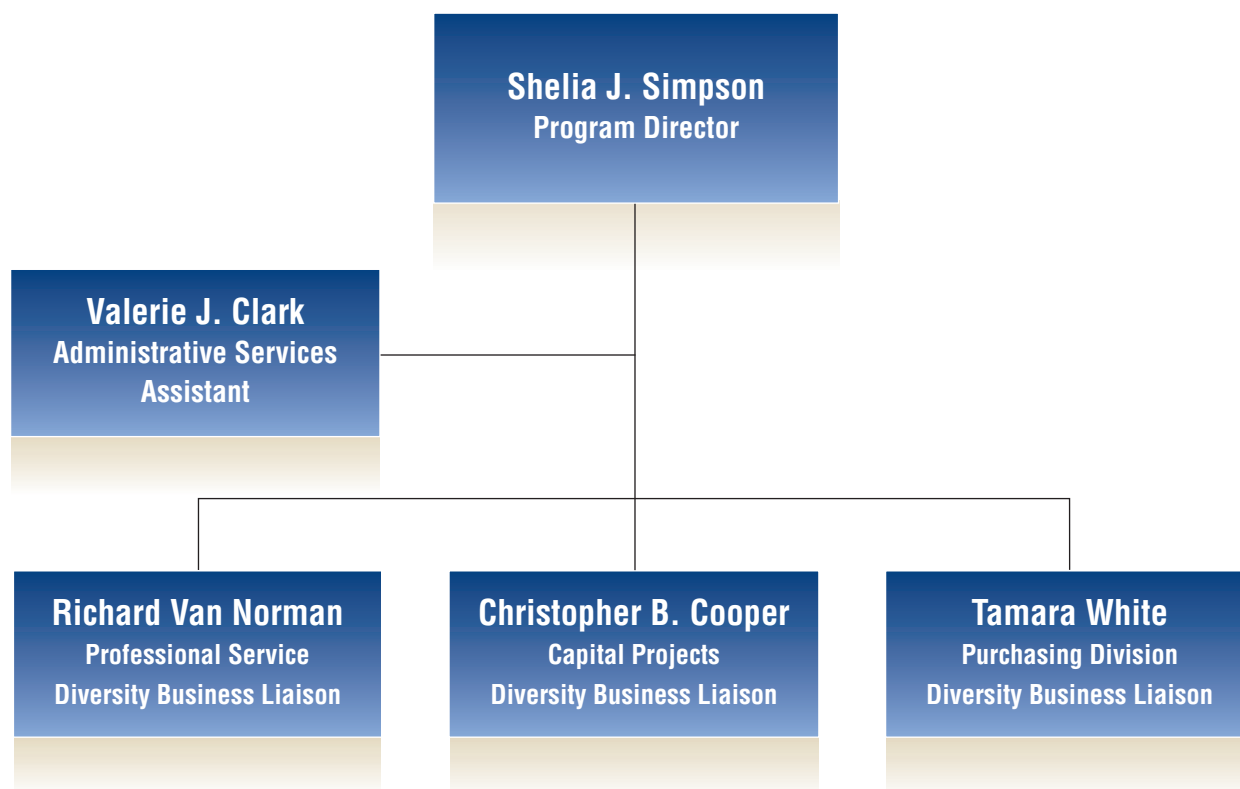


# EXECUTIVE SUMMARY

Department of General Services  
Governor's Office of  
Diversity Business Enterprise

June 30, 2011

## Organizational Chart



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## **PROGRAM HIGHLIGHTS AND ACCOMPLISHMENTS**

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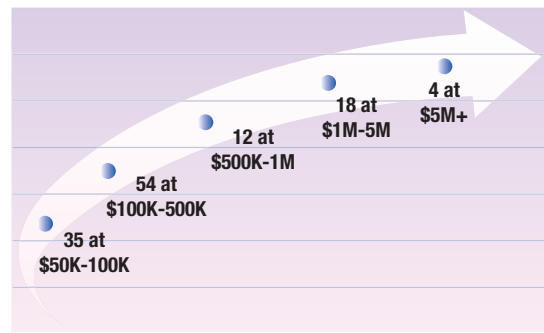
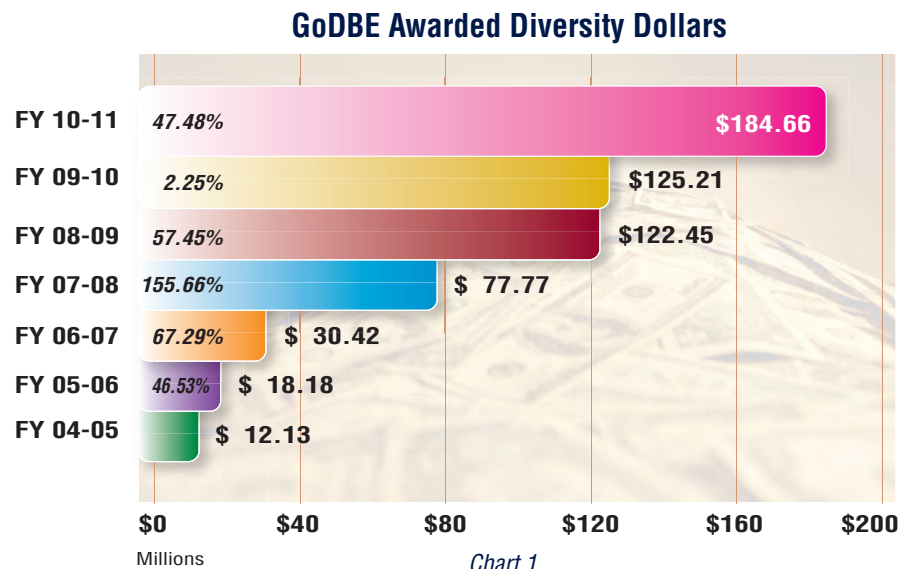
# PROGRAM HIGHLIGHTS

## State of Tennessee Diversity Business Enterprise Purchases and Contract Awards

The Governor's Office of Diversity Business Enterprise is charged with the monitoring of contract awards and purchases made to certified diversity businesses by state agencies and departments. Purchases and contract awards to certified diversity businesses for fiscal year 2010-11 increased to **\$184,660,714**, despite the economic struggles for small business enterprises. This year's increase in dollars awarded to certified businesses represents a 47.48% increase over the previous fiscal year. (See Chart No. 1)

This past fiscal year we continued our efforts to expand opportunities to business enterprises owned by Tennessee Small Businesses. We participated in conferences with many Congressional leaders throughout the state as well as conducted community workshops and seminars in such cities as Chattanooga, Clinton and Kingsport, Memphis and others.

Chart 1 reflects a significant increase in the dollars awarded to certified businesses in the state of Tennessee's contracting activity. We are able to report purchases made to certified businesses as these are those firms that have gone through the process of certification and have been verified to be the owners of those businesses as stated in their company documents. It is our goal to



see an increase in the number of single awards made to certified businesses. While this number is not as high as expected, we were able to capture **375 purchase order awards and/or contract awards** with businesses certified with Go-DBE, a slight increase from the previous year. See our Top Dollar Awards on Chart No. 2.

TOP DOLLAR AWARDS	
No. of Businesses	Dollars
4	\$5M
18	\$1M-\$5M
12	\$500K-\$1M
54	\$100K-\$500K
35	\$50K-\$100K

Table 2



# PROGRAM HIGHLIGHTS

## Diversity Business Awarded Dollars by Percentage and Ethnicity

The chart and table reflect the ethnic categories for minority owned, woman owned and small business with total dollars awarded of \$184, 660,714 this past fiscal year by sub-category.

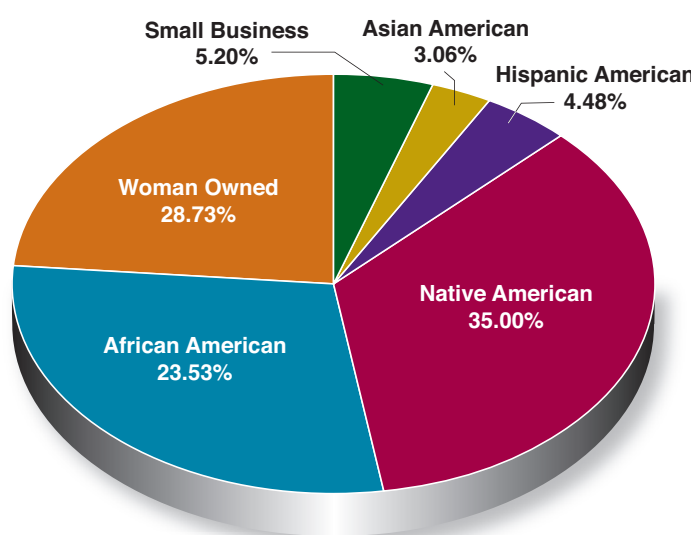


Chart 3

## Diversity Business Procurement Awards by Sub-category

MBE	\$ 120,851,320.68
WBE	\$ 48,604,077.26
SBE	\$ 15,205,316.40
<b>Total</b>	<b>\$ 184,660,714.34</b>

MBE (Minority Business Enterprise) WBE (Woman Business Enterprise) SBE (Small Business Enterprise)

## Procurement Awards by Ethnicity

Ethnicity	MBE \$	WBE \$	SBE \$	%
African American	\$ 42,537,012.82	\$ 884,220.41	\$ 25,120.00	23.53%
Asian American	\$ 5,519,854.58	\$ 129,087.53	-	3.06%
Hispanic American	\$ 8,243,498.39	\$ 11,789.91	\$ 11,908.63	4.48%
Native American	\$ 64,550,954.89	-	\$ 82,777.74	35.00%
Non-Minority Women	-	\$ 47,578,979.41	\$ 5,470,689.99	28.73%
Non-Minority Male	-	-	\$ 9,614,820.04	5.21%
<b>Totals</b>	<b>\$120,851,320.68</b>	<b>\$ 48,604,077.26</b>	<b>\$15,205,316.40</b>	<b>100.00%</b>

Table 2

# PROGRAM HIGHLIGHTS

## Dollars Awarded to Minority Owned Businesses by Ethnicity

The following businesses are commended for their success in doing business with the state during fiscal year 2010-11. There is no doubt that diversity businesses in the state of Tennessee have had some challenges during these extremely difficult economic times. Several businesses have found it necessary to downsize, others felt the need to reorganize while many were totally unable to weather the storm of this recession. Doing business with the state of Tennessee is no easy task. Businesses are required to raise the standards in order to be successful at doing business with the state. Many firms may be required to adhere to specification and conditions other than those traditionally found in commercial practice. The firms listed below have persevered through all obstacles and secured contracts with state agencies and departments.

## Dollars Awarded to African American Owned businesses

Southeastrans, Inc. ....	\$32,019,729
Manufacturers Industrial Group .....	\$ 2,370,800
Zycron, Inc. ....	\$ 1,676,093
Alpha Maxx Healthcare, Inc. ....	\$ 1,655,038
Fulfillment Tender Care, Inc. ....	\$ 800,136
Gibson Mechanical Contracting .....	\$ 594,794
Southeastern Constructors, LLC. ....	\$ 481,386
Khafra Engineering Consultants .....	\$ 399,415
Diamond Contract Services .....	\$ 330,992
Sympathetic Steps to Success .....	\$ 221,845

## Dollars Awarded to Asian American Owned businesses

Sigma Stretch Film .....	\$ 1,856,005
Community Ties of America .....	\$ 805,238
GISBiz .....	\$ 551,571
TRC Worldwide Engineering .....	\$ 374,441
Tristar Digital Connections, LLC .....	\$ 348,113
Medgluv .....	\$ 323,786

## Dollars Awarded to Hispanic American Owned businesses

RJ Abstract Translation Services .....	\$ 7,993,665
International Systems of America .....	\$ 117,381
AllPro Staffnet, LLC .....	\$ 66,756
Kings LLP .....	\$ 11,909

## Dollars Awarded to Native American Owned businesses

Flintco .....	\$64,434,619
Behavioral Outreach Services .....	\$ 82,778
Edwards Supply .....	\$ 82,407
Scientific Sales .....	\$ 19,844
Nashville Natives .....	\$ 10,649

NOTE: The above lists represent just a few of the total list of firms by ethnicity as not all firms could be listed.

## PROGRAM HIGHLIGHTS

### Registration

The chart below depicts the number of registrations processed by Go-DBE during fiscal year 2010-11 and the previous six years.

Diversity Business Enterprises interested in the state of Tennessee's procurement and contracting processes are encouraged to contact the Governor's Office of Diversity Business Enterprise. A complete electronic application for certification of minority owned, woman owned, service-disabled veteran owned or small business enterprise is available to register business owners.

Diversity businesses seeking certification with the Go-DBE will register in Edison as the first step in the certification process. This ensures all certified businesses are connected to the appropriate sourcing bid list for proper notification of procurement opportunities whether they receive certification with the Go-DBE office or are unable to complete the certification review process. All taxpaying citizens deserve the opportunity to be connected to the mainstream procurement process in order to compete for the purchase of goods,

supplies, equipment, services and construction related projects. Businesses that register with the Go-DBE office will receive electronic notification of certification for which they have properly registered.

Additionally, the Go-DBE has implemented the new internet based electronic TN Go-DBE System for application for certification. Diversity businesses may access the TN Go-DBE System by visiting the Go-DBE web site at [www.tn.gov/diversity](http://www.tn.gov/diversity) and clicking on <https://tn.diversitysoftware.com>

Once approved, certified diversity businesses will receive electronic notification of certification with the Go-DBE office. The following chart shows the number of registrations processed for certification since program inception and the percentage of increase each year:

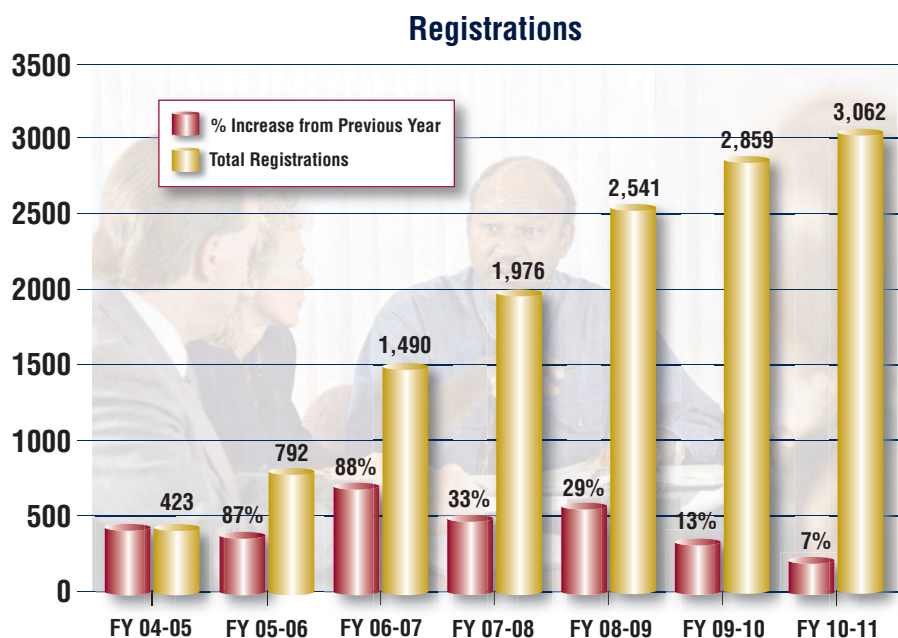


Chart 4

# PROGRAM HIGHLIGHTS

## Certification

The chart below reflects the number of certified businesses for fiscal year 2010-11. The total of 1,442 certified businesses represent a 7% increase in the number of certified businesses over the previous fiscal year.

The Governor's Office of Diversity Business Enterprise certifies diversity businesses as minority owned, woman owned, service-disabled veterans and small business enterprises. Firms desiring certification as an MBE, WBE, SDVBE must substantiate they are independently owned and operated, must submit documentation to substantiate that at least 51% ownership of the stock, management and control of the daily operation of the business by one or more minority, women, service-disabled veteran individuals as defined in TCA §12-3-801(3).

Firms desiring certification as a small business must substantiate they are independently owned and operated and submit documentation regarding their annual sales volume and number of employees.

Go-DBE recognizes valid certification by other certification agencies such as the U. S. Small Business Administration, Minority

Purchasing Councils, the department of Transportation and the National Association of Women Business Owners along with other state and local minority certification agencies. Each certified business will receive an electronic certificate which includes their certification number and effective date of certification. Certifications issued by Go-DBE are valid for a period of two (2) years. Firms desiring to continue certification with the Go-DBE office are required to renew their certification at the end of the two (2) year period.

### Number of Certified Businesses FY 2010-11

MBE's	529	36.7%
WBE's	599	41.5%
SBE's	306	21.2%
SDVBE's	8	0.6%
<b>Total</b>	<b>1,442</b>	<b>100.0%</b>

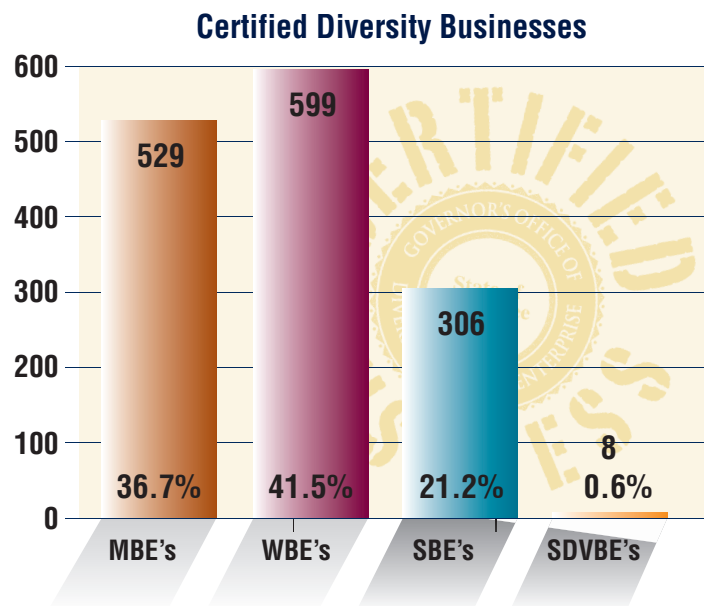


Chart 5

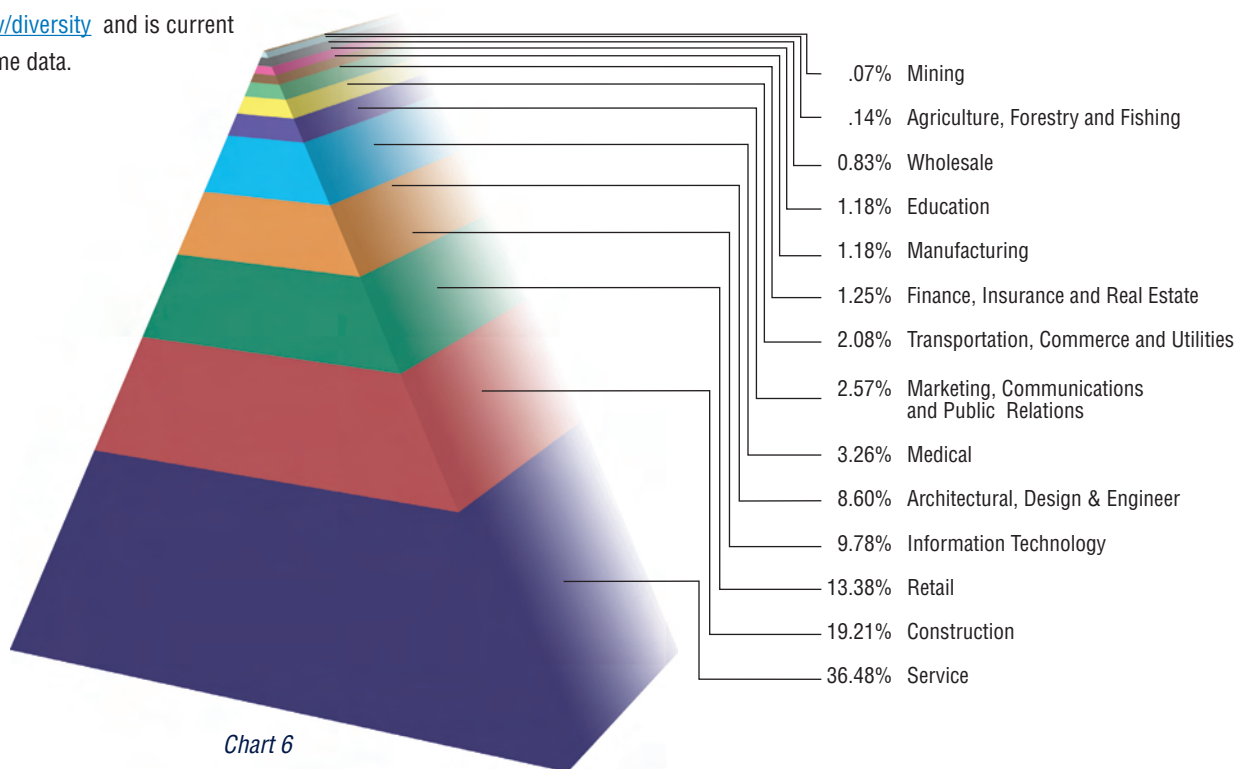


# PROGRAM HIGHLIGHTS

## Certification by Industry

Go-DBE publishes a directory of certified minority owned, woman owned, service-disabled veteran owned and small business enterprises. All state departments and agencies are encouraged to visit our website to access the directory to identify certified businesses for sourcing of bid events and proposals. The certified directory is also utilized by local government and private sector companies looking to identify diversity suppliers as both prime and subcontractors. The directory is listed on the Go-DBE website at [www.tn.gov/diversity](http://www.tn.gov/diversity) and is current with real time data.

Industry	Quantity	Percent
Service	526	36.48%
Construction	277	19.21%
Retail	193	13.38%
I.T.	141	9.78%
Architectural, Design & Engineer	124	8.60%
Medical	47	3.26%
Marketing, Communications & Public Relations	37	2.57%
Transport., Commerce & Utilities	30	2.08%
Finance, Ins. & Real Estate	18	1.25%
Manufacturing	17	1.18%
Education	17	1.18%
Wholesale	12	0.83%
Ag., Forestry & Fishing	2	0.14%
Mining	1	0.07%
	1442	100.00%



# PROGRAM HIGHLIGHTS

## TOP Agencies and Departments with Diversity Participation Greater Than \$1 Million

Department	Diversity Participation
State Building Commission	\$71,635,987.00
Bureau of Tenn. Care	\$34,640,374.00
Tennessee Dept. of Transportation	\$27,266,258.00
General Services	\$15,182,495.00
Finance & Administration	\$ 4,857,143.00
Health	\$ 4,400,209.00
Higher Education	\$ 4,230,481.00
University of Tennessee	\$ 3,868,177.00
Div. of Intellectual Disabilities Service	\$ 3,692,181.00
Tourist Development	\$ 2,635,676.00
Board of Regents	\$ 2,205,434.00
Mental Health	\$ 1,821,480.00
Corrections	\$ 1,094,346.00

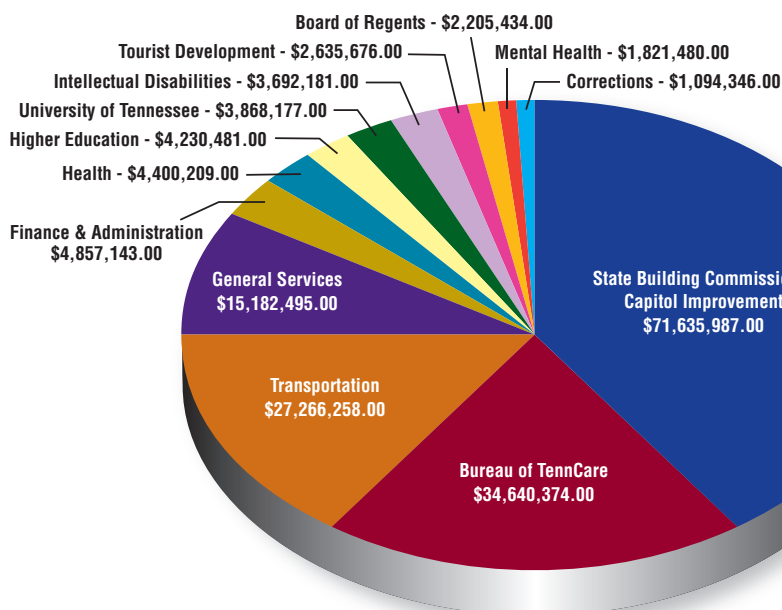


Chart 7

GOVERNOR'S OFFICE OF  
DIVERSITY BUSINESS ENTERPRISE  
2011 ANNUAL REPORT

# PROGRAM HIGHLIGHTS

## Agency and Departmental Goals

State departments and agencies efforts to achieve diversity in contracting are monitored by the Go-DBE office. The objective is to assist state agencies and departments with increasing participation of minority owned, woman owned, service-disabled veteran owned and small businesses in their department's procurement and contracting activities. Reports are submitted to Go-DBE documenting each department's efforts for actively soliciting bids and proposals and

identifying any contracts or subcontracts awarded to diversity businesses. Annual department or agency internal goals were established for each of the four sub-categories as required by T.C.A. §12-3-807(b) small, minority and woman owned and service-disabled veteran owned business to strive to achieve their internal goals.

In establishing these agency internal goals, each department and agency worked closely

with the Governor's Office of Diversity Business Enterprise. Internal goals are based on reported levels of expenditures for the prior fiscal year. With recent budget cuts it was necessary to determine the impact on diversity businesses. Few departments and agencies were able to achieve their internal goals as with previous years.

Data is compiled and reviewed by Go-DBE staff to chronicle each department's progress of actual goals achieved is detailed below:

Department Name	Dept. No.	Minority Goal	Minority Result	Women Goal	Women Result	Small Goal	Small Result	Final Goal Achieved	Overall Goal
Agriculture	325	2.73%	0.59%	3.19%	0.58%	24.57%	1.27%	2.45%	30.49%
Board of Probation and Parole	324	1.82%	0.18%	1.82%	17.68%	4.55%	0.00%	17.86%	8.19%
Board of Regents	N/A	3.19%	2.26%	7.28%	7.16%	11.83%	17.43%	26.84%	22.30%
Children's Services	359	4.55%	0.17%	2.18%	3.85%	10.92%	1.34%	5.36%	17.65%
Commerce & Insurance	335	6.37%	0.01%	0.91%	0.43%	15.47%	0.13%	0.57%	22.75%
Comptroller of the Treasury	307	0.91%	1.90%	0.91%	1.90%	0.91%	0.00%	3.80%	2.73%
Corrections	329	2.28%	0.18%	2.73%	0.64%	4.55%	0.09%	0.90%	9.56%
Economic & Community Development	330	17.29%	0.21%	2.73%	1.13%	23.66%	0.00%	1.34%	43.68%
Education	331	3.64%	0.42%	0.91%	0.70%	2.73%	0.01%	1.13%	7.28%
Environment & Conservation	327	6.01%	0.30%	6.49%	1.63%	27.36%	1.97%	3.90%	39.86%
Finance & Administration	317	0.91%	1.81%	2.73%	1.91%	1.82%	0.01%	3.74%	5.46%
Financial Institutions	336	2.73%	0.00%	2.28%	2.28%	18.20%	0.00%	2.28%	23.21%
General Services / Property Services Management	321& 501	5.46%	3.80%	10.92%	10.78%	6.37%	0.71%	15.29%	22.75%
Health	343	2.73%	0.54%	2.73%	1.00%	8.19%	5.46%	7.00%	13.65%
Higher Education	332	2.73%	0.30%	2.73%	1.37%	2.73%	1.48%	3.15%	8.19%
Human Resources	319	4.55%	57.54%	8.19%	10.69%	27.30%	4.41%	72.64%	40.04%
Human Services	345	6.00%	0.04%	0.91%	0.92%	4.55%	0.01%	0.97%	11.46%
Labor & Workforce	337	2.73%	0.14%	4.55%	3.24%	7.28%	0.47%	3.85%	14.56%
Mental Health & Developmental Disabilities	339	4.55%	1.13%	1.82%	11.33%	9.10%	0.82%	13.28%	15.47%
Division of Intellectual Disabilities Service	344	6.37%	2.89%	1.82%	10.26%	16.38%	0.64%	13.78%	24.57%
Military	341	1.82%	0.35%	2.73%	0.28%	10.92%	3.17%	3.80%	15.47%
Revenue	347	2.50%	0.00%	4.55%	6.62%	7.28%	0.56%	7.18%	14.33%
Safety	349	3.64%	0.20%	4.55%	0.50%	8.19%	0.13%	0.83%	16.38%
State Building Commission - Capital Improvement	355	1.82%	47.91%	2.73%	4.97%	5.46%	0.01%	52.88%	10.01%
Bureau of Tenn Care	318	9.10%	38.77%	7.28%	0.20%	9.10%	0.15%	39.12%	25.48%
Tennessee Bureau of Investigation	348	1.82%	0.00%	1.82%	0.30%	8.19%	0.00%	0.30%	11.83%
Tennessee Department of Transportation	401-499	1.82%	1.04%	0.91%	1.15%	2.73%	0.08%	2.27%	5.46%
Tennessee Wildlife Resources Agency	328	2.73%	0.33%	2.05%	0.92%	17.29%	0.30%	1.54%	22.07%
Tourist Development	326	0.91%	0.01%	4.55%	16.03%	9.10%	10.86%	26.90%	14.56%
Veterans Affairs	323	0.91%	1.00%	2.73%	4.19%	14.56%	0.00%	5.19%	18.20%
Department Averages:		3.82%	5.47%	3.39%	4.16%	10.71%	1.72%	11.34%	17.92%

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# **REPORTING BY STATUTORY REQUIREMENTS**

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# REPORTING BY STATUTORY REQUIREMENTS

## Governor's Office of Diversity Business Enterprise Diversity Participation Purchase Order and Contract Awards Fiscal Year 2010-2011

12-3-808(a) — The commissioner shall annually report, on or before each December 31, to the governor and to each member of the general assembly concerning the awarding of purchases to minority owned, woman owned and small businesses and the total value of awards

made during the preceding fiscal year under the provisions of this part. The commissioner shall also include in such annual report **the number, by category, of minority owned, woman owned, service-disabled veteran owned and small businesses solicited; the number of bids**

**received**, by category, from minority owned, woman owned, service-disabled veteran owned and small businesses; and the **dollar amount of purchases awarded**, by category, to minority owned, woman owned, service-disabled veteran owned and small businesses.

### Minority Owned Business

	Number of Solicitations	Number of Bids Received	Dollar Amount of Awards
*Purchase Order Awards	5,510	2,246	\$ 5,370,556.00
**Contract Awards			\$120,853,615.14
Totals			\$126,224,170.14

### Woman Owned Business

	Number of Solicitations	Number of Bids Received	Dollar Amount of Awards
*Purchase Order Awards	11,567	8,219	\$25,417,064.00
**Contract Awards			\$48,604,077.26
Totals			\$74,021,141.26

### Small Business

	Number of Solicitations	Number of Bids Received	Dollar Amount of Awards
*Purchase Order Awards	27,979	20,778	\$ 85,379,419.00
**Contract Awards			\$ 15,205,316.40
Totals			\$100,584,735.40

\*Represent purchase order awards of non-certified firm reported by the University of Tennessee and the Board of Regents.

\*\*Contracts awards are certified firms captured under **Governor's Office of Diversity Business Enterprise** program initiatives.

\*\*\* The above data reflects the number of solicitations, number of awards and the dollar amount for the Board of Regents and the University of Tennessee. Data from Edison for the state of Tennessee solicitations, number of awards and the dollar amount for the sub-categories listed above was not available at the time of publication.

\*\*\*\*Service-disabled Veterans were added to the law effective July 1, 2010. The Governor's Office of Diversity Business Enterprise certified eight (8) service-disabled veteran owned businesses during the fiscal year. We were unable to identify any state agency or department that had awarded a contract or a purchase order to a service-disabled veteran owned firm during the reporting period.

We have taken steps to further reach out to service-disabled veterans in a greater way by attending the Annual Veterans Conference hosted in Oak Ridge, TN for the past two years. We have met with certified veteran owned businesses to identify ways to increase the level of participation with the designated group. Some of the recommendations that resulted from such meetings are as follows:

- 1) Encourage the issuance of an Executive Order by the Governor to emphasize the importance of supporting diversity owned businesses
- 2) Amend the current law to incorporate a preference to facilitate the participation of all diversity owned businesses by state agencies and departments
- 3) Establish a Tennessee Small Business Council to make recommendations to the Governor concerning the issues affecting service-disabled veteran owned businesses

The above recommendations were received from certified businesses when surveyed as to why there is not more participation of service-disabled veterans registering for the program. We will continue to meet with such groups as the Tennessee Veterans Associations out of East Tennessee which is an organization established to address the needs of Veterans returning home from the armed services.

# REPORTING BY STATUTORY REQUIREMENTS

## Governor's Office of Diversity Business Enterprise Diversity Participation Minority Owned Business Solicited for State Procurement Opportunities

### Fiscal Year 2010-2011

12-3-808(b) — In annually reporting the information on minority owned, woman owned and small businesses, based upon information provided by vendors, the commissioner shall, in a separate section of the report, indicate the **number of businesses solicited within each of the four (4) subcategories enumerated within § 12-3-802(3), the number of bids received from each of the four (4)**

**subcategories enumerated within § 12-3-802(3), and the total number and dollar amount of all purchases awarded within each of the four (4) subcategories enumerated within § 12-3-802(3).** For purposes of evaluation, the report shall also indicate the total number and dollar amount of all purchases by all state agencies during the reporting period. \*

Solicitation of Minority Businesses by Subcategories	Number of Solicitations	Number of Bids Received	Number of Awards	Dollar Amount of Awards
African American	2,856	997	926	\$2,069,217.00
Asian American	1,083	405	395	\$403,638.00
Hispanic American	521	251	212	\$386,760.00
Native American	812	542	491	\$759,462.00
<b>Totals</b>	<b>5,272</b>	<b>2,195</b>	<b>2,024</b>	<b>\$3,619,077.00</b>

\*Note: The above data reflects the number of solicitations, number of awards and the dollar amount for the Board of Regents and the University of Tennessee. Data from Edison for the state of Tennessee solicitations, number of awards and the dollar amount for the sub-categories listed above was not available at the time of publication.

## NOTES

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## NOTES

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